

Message Text

LIMITED OFFICIAL USE

PAGE 01 CANBER 02912 01 OF 02 160209Z

71

ACTION AGR-20

INFO OCT-01 EA-11 ISO-00 SWF-02 EB-11 COME-00 L-03 STR-08

CIAE-00 INR-10 NSAE-00 RSC-01 DRC-01 /068 W

----- 036009

R 150616Z MAY 74

FM AMEMBASSY CANBERRA

TO SECSTATE WASHDC 3186

LIMITED OFFICIAL USE SECTION 1 OF 2 CANBERRA 2912

PASS: AGRICULTURE FOR REPORTS OFFICER, FAS/W

E.O. 11652: N/A

TAGS: EAGR, EGEN, AS

SUBJ: SPECIAL QUARTERLY REPORT LIVESTOCK AND MEAT

REF: CODE: 13C

1. SUMMARY: BEEF AND VEAL OFFICIAL PRODUCTION 1973 AND REVISED 1974 ESTIMATE. 1973 PRODUCTION UNCHANGED AT 1.49 MILLION METRIC TONS CARCASS WEIGHT OR 12 PERCENT ABOVE 1972. 1974 SEASON EXPERIENCING EXTRAORDINARY AMOUNT SUCCULENT GRASS THROUGHOUT COUNTRY, BETTER THAN ANYONE CAN REMEMBER. PRODUCERS STILL BUILDING HERDS AND WITHHOLDING CATTLE FROM MARKET TO UTILIZE SURPLUS FEED AND WAITING FOR HIGHER PRICES. THIS IS DELAYING DELIVERIES THAT WOULD HAVE NORMALLY STARTED TO MARKET BY THIS TIME OF YEAR.

SHEEP NUMBERS ARE EXPECTED TO INCREASE ONLY SLIGHTLY IN 1974 SINCE WET WEATHER CAUSING HEAVY LOSSES IN MANY AREAS FROM "FLY STRIKE."

BEEF AND VEAL EXPORTS DURING 1973 WERE 600,000 M.T. PRODUCT WEIGHT OF WHICH 327,500 M.T. WENT TO USA (INCLUDING HAWAII). THIS WAS INCREASE 6 PERCENT IN US SHIPMENTS AND 19 PERCENT OVERALL. RE-INTRODUCTION OF EC LEVELS AND IMPOSITION OF NEW MEASURES TO RESTRICT IMPORTS AND INCREASED DUTIES IN UK (8 PERCENT IN APRIL 1974) HAS LED TO DROP IN DEMAND AS WELL AS WEAKENING IN
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 CANBER 02912 01 OF 02 160209Z

JAPANESE MARKET.

1973 MUTTON PRODUCTION CONFIRMED AT 314,000 M.T. - SHARP DROP SHEEP NUMBERS DUE TO HEAVY SLAUGHTER RUNS WHEN WOOL PRICES AT ALL TIME LOW. EXCELLENT SEASON SO FAR IN 1974 PRICING REPLACEMENT EWES AND LIMITING MUTTON PRODUCTION. SHEEP SLAUGHTER EXPECTED TO STAY DOWN FOR NEXT FEW YEARS IF WOOL PRICES REMAIN STABLE. REDUCED SUPPLY GAVE EXPORT VOLUME OF MUTTON 109,000 M.T. PRODUCT WEIGHT. OF THIS ONLY 5,000 M.T. WENT TO USA AND OTHER MARKETS WERE UNPREPARED TO PAY THE HIGH PRICES. JAPAN AND CANADA AND MIDDLE EAST MAJOR BUYERS IN 1973.

LESS LAMB WAS AVAILABLE IN 1973 DUE TO SHORTAGE OF NUMBERS BRINGING PRODUCTION DOWN BY 24 PERCENT FROM 1972 AND PRICES SKYROCKETED. 1974 WILL ALSO SEE HIGH PRICES FOR LAMB IN RELATION TO BEEF AND LOW SUPPLIES BOTH FOR LOCAL AND EXPORT MARKETS.

ACTUAL PRODUCTION FOR BEEF AND VEAL JANUARY THROUGH MARCH 1974 IS ESTIMATED AT 255,000 M.T. OR MORE THAN 100,000 M.T. BELOW SAME PERIOD LAST YEAR. EXPORT MARKET PRICES NOW FAR BELOW LAST YEAR WILL BE THE KEY FACTOR ON WHEN THE CATTLE START COMING TO MARKET. BEEF PRODUCERS IN STRONG FINANCIAL POSITION TO DEFER INCOME UNTIL AFTER END FISCAL YEAR JUNE 30 AND PARTICULARLY AFTER FEDERAL ELECTIONS MAY 18, 1974. THE ABUNDANCE OF GOOD PASTURE STRENGTHENS THEIR STAND CONFUSING PREDICTIONS FOR AUSTRALIA MEETING THE PRODUCTION AND EXPORT ESTIMATES THAT FOLLOW. END SUMMARY.

PART A - BEEF AND VEAL	1973	1974
I. NUMBERS ON FARMS ('000 HEAD)	29,130 (R)	31-32,000 (R)
CATTLE SLAUGHTERED ('000 HEAD)	6,971 (R)	6,974 (R)
CALVES SLAUGHTERED ('000 HEAD)	1,255	1,281 (R)

NOTE: 1974 CATTLE ON FARM REVISED UPWARD, CATTLE SLAUGHTERED REVISED DOWNWARD; 1974 CALF SLAUGHTER REVISED SLIGHTLY UPWARD.

II. 1974 MEAT PRODUCTION

EARLY 1974 BEEF AND VEAL PRODUCTION DOWN MORE THAN 30 PERCENT FROM SAME PERIOD 1973 IN SPITE OF UNPRECEDENTED SEASON CONDITIONS OVER VIRTUALLY THE ENTIRE CONTINENT. IN MOST DISTRICTS GRAZING CONDITIONS ARE THE BEST IN MEMORY.

(A) PRODUCTION ('000 M.T. CARCASS WEIGHT)
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 CANBER 02912 01 OF 02 160209Z

	1973	1974 (EST)
BEEF	1,443	1,434
VEAL	49	50
TOTAL	1,492	1,484

(B) S&D BEEF AND VEAL CARCASS WEIGHT M.T.

SUPPLY:

1. STOCKS JAN. 1	69	78
------------------	----	----

2. PRODUCTION	1,492	1,484
3. IMPORTS	C	C
4. TOTAL SUPPLY	1,561	1,562

DISTRIBUTION:

1. DOM. CON. EXC. CANNED	540 (R)	583# (R)
2. CANNING	55	55
3. EXPORTS:		
BONE-IN BEEF	12 (R)	14
BONELESS BEEF	844	802
VEAL	32 (R)	30 (R)
4. ENDING STOCKS	78 (R)	78 (R)
5. TOTAL DISTRIBUTION	1,561	1,562

NOTE PRODUCT WEIGHT TIMES 1.5 EQUALS CWE

(A) BONE-IN BEEF EXPORTS EST. ON ASSUMPTION NO. SALES TO USSR
 (C) LESS THAN 50 M.T. # REVISED UPWARD TO INCLUDE CONSUMPTION
 DUE TO INCREASE IN DOWNWARD MOVEMENT OF RETAIL PRICE AND RELATIVE
 TO HIGHER PRICES FOR LAMB, MUTTON AND PORK. 1973-74 STOCK
 FIGURES ACTUAL NOT BALANCING FACTOR AS HAS BEEN CASE IN PAST.

LIMITED OFFICIAL USE

NNN

LIMITED OFFICIAL USE

PAGE 01 CANBER 02912 02 OF 02 160210Z

71

ACTION AGR-20

INFO OCT-01 EA-11 ISO-00 SWF-02 EB-11 COME-00 L-03 STR-08

CIAE-00 INR-10 NSAE-00 RSC-01 DRC-01 /068 W

----- 036029

R 150616Z MAY 74

FM AMEMBASSY CANBERRA

TO SECSTATE WASHDC 3187

LIMITED OFFICIAL USE SECTION 2 OF 2 CANBERRA 2912

III. (1) AUSTRALIAN MEAT BOARD DIVERSION SCHEME REMAINS
 SUSPENDED. FORECAST FOR BEEF AND VEAL EXPORTS TO US BY
 QUARTER 1973 ACTUAL, 1974 ESTIMATE (M.T.) PRODUCT WEIGHT AS
 FOLLOWS:

	1973 (ACTUAL)	1974 (ESTIMATE)
1ST QUARTER	62175	52000 ACTUAL

68646	55000# (R)
105542	90000 (R)
89237	123000

-----	-----
325600	320000

HAWAII#	19000
---------	-------

-----	-----
TOTAL CAL. YEAR	327500 320000

NOTE INCLUDES ALLOWANCES FOR REJECTIONS OF ABOUT 6000 M.T.

#APRIL 1974 13394 M.T. ACTUAL, MAY 1974 EST. BY AMB 17,000

M.T., RESULTING IN POSSIBLE 2ND QUARTER EST. BEING TOO HIGH.

(2) BEEF AND VEAL EXPORTS BY DESTINATION:

1973 (ACTUAL) 1974 EST

MET. TONS MET. TONS

USA	325600	320000 (R)
CANADA	33000	30000 (R)
U.K.	79500	52000 (R)
EEC6	6445	5000
JAPAN	115400	105000 (R)

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 CANBER 02912 02 OF 02 160210Z

MALAYSIA 3356 3000

OTHERS 36799 38000

US DROP IN ESTIMATE DUE TO LOWER PRICES IN USA NOT ATTRACTING
AUST. MEAT. UK PROBLEMS OUTLINED IN SUMMARY PLUS ECONOMIC
CONDITIONS CAUSING DROP IN PURCHASES. JAPAN DRASTIC DROP IN
EST. 1974 PURCHASES REFLECT WEAK DEMAND, HIGHER LOCAL PRODUCTION,
AND DEFERMENT OF EARLIER QUOTA QUANTITIES. QUOTA FOR APRIL
1974 - OCTOBER 1974 HALF YEAR WILL BE ANNOUNCED LATE.

PART B - SHEEP AND MUTTON

1973 1974 EST.

I NUMBER OF SHEEP ON

FARMS (000 HEAD)	140109	143000 (R)
SHEEP SLAUGHTER (000 HD)	16398	14500 (R)
LAMB SLAUGHTER (000 HEAD)	15645	16000

NOTE: SHEEP AND LAMB NUMBERS REVISED DOWNWARD SINCE LAST
REPORT DUE TO DEATH LOSSES FROM FLY STRIKE BROUGHT ON BY WET
WEATHER.

II. S&D MUTTON CARCASS WT. EQU. IN 000 M.T.

1973 (ACTUAL) 1974 (EST)

(A) SUPPLY:

STOCKS JAN 1	23	20
PRODUCTION	315	290
IMPORTS	NIL	NIL
TOTAL SUPPLY	338	310

(B) DISTRIBUTION:

DOM. CON. EXC. CANNING	127	117
CANNING	14	14

EXPORTS 177 159
CLOSING STOCKS 20 20
TOTAL DISTRIBUTION 338 310

NOTE: PRODUCT WEIGHT BONED MUTTON X 2 EQUALS CWE

III. EXPORTS OF MUTTON, PRODUCT WEIGHT IN M.T. BY DESTINATION

	1973 (ACTUAL)	1974 (EST)
USA	5000	4000
CANADA	12000	12000
UK	8000	3000
EEC	1400	1000
JAPAN	52000	47000
MALAYSIA	2500	2000

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 CANBER 02912 02 OF 02 160210Z

MIDDLE EAST	13000	11000
OTHERS	15100	10000

109000 90000

EXPORTS TO USA BY QUARTERS FOR 1973 AND EST. 1974 IN M.T.

	1973 (ACTUAL)	1974 (EST)
1ST QUARTER	1860	714 (ACTUAL)
2ND QUARTER	1770	1000
3RD QUARTER	785	1000
4TH QUARTER	585	1286
TOTAL CALANDER YEAR	5000	4000

SUPPLIES OF 1974 LAMBS REMAIN EXTREMELY SHORT AND SLAUGHTER IS
LIKELY TO BARELY HOLD THE 1973 LEVELS AND COULD EVEN FALL BELOW
THAT LOW LEVEL.

ONLY NEGLIGIBLE AMOUNTS LAMB WILL BE AVAILABLE FOR EXPORT THE
REMAINDER OF 1974.

DECLASSIFY JAN. 1, 1975
GREEN

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: LIVESTOCK, EXPORTS, PRODUCTION, MEATS, EXPORT DATA
Control Number: n/a
Copy: SINGLE
Draft Date: 15 MAY 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: GarlanWA
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974CANBER02912
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D740120-0387
From: CANBERRA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19740547/aaaabpkm.tel
Line Count: 261
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION AGR
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 5
Previous Channel Indicators:
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: CODE: 13C
Review Action: RELEASED, APPROVED
Review Authority: GarlanWA
Review Comment: n/a
Review Content Flags:
Review Date: 08 JUL 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <08 JUL 2002 by elyme>; APPROVED <19 FEB 2003 by GarlanWA>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: SPECIAL QUARTERLY REPORT LIVESTOCK AND MEAT
TAGS: EAGR, EGEN, AS
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005